

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MADRID 01938 01 OF 02 231411Z  
ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 CIAE-00 COME-00 EB-08 INR-10  
LAB-04 NSAE-00 SIL-01 DODE-00 PM-05 H-01 L-03  
NSC-05 PA-01 SP-02 SS-15 USIA-06 AGRE-00 /087 W  
-----130641 231447Z /50

R 231358Z FEB 78  
FM AMEMBASSY MADRID  
TO SECSTATE WASHDC 3561  
INFO AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
AMEMBASSY LISBON  
AMEMBASSY LONDON  
AMEMBASSY OSLO  
AMEMBASSY PARIS  
AMEMBASSY THE HAGUE  
USMISSION USNATO  
USMISSION GENEVA

LIMITED OFFICIAL USE SECTION 01 OF 02 MADRID 01938

USEEC AND USOECD ALSO FOR EMBASSIES

E.O. 11652: N/A  
TAGS: ELAB, PINT, SP  
SUBJECT: LABOR UPDATE/STRIKES AND ELECTIONS

1. SUMMARY: A NUMBER OF HIGH-VISIBILITY STRIKES ARE ATTRACTING ATTENTION IN SPAIN, ALTHOUGH INVOLVING ONLY A LIMITED NUMBER OF WORKERS. THE TROUBLED HEAVY-INDUSTRY SECTOR IN ASTURIAS IS MOST AFFECTED, BUT STRIKES HAVE ALSO HIT BILBAO, ANDALUCIA, AND MADRID. MEANWHILE, LABOR PLANT COMMITTEE ELECTION RESULTS IN SEVERAL LARGE FIRMS HAVE COME IN AND LATEST NEWS AGENCY FIGURES HAVE SWC LEADING UGT BY 38 PERCENT TO 32 PERCENT. END SUMMARY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MADRID 01938 01 OF 02 231411Z

2. A 24 HOUR PROTEST STRIKE FEB 21 IN THE ASTURIAN "METAL" (HEAVY INDUSTRY, ESPECIALLY STEEL) INDUSTRY WAS VIRTUALLY TOTAL, INVOLVING ABOUT 70,000 WORKERS. WAGES ARE AN ISSUE, BUT MANY WORKERS ARE ALSO TROUBLED BY PROSPECTS FOR STAFF REDUCTIONS AND/OR PLANT CLOSINGS AT THE GIANT STATE-OWNED "ENCIDESA" STEEL COMPANY. CONTACTS AT INI, THE STATE HOLDING COMPANY THAT OWNS ENCIDESA,

CONFIRM THAT INI WOULD INDEED LIKE TO REDUCE STAFF AND RATIONALIZE ENCIDESA IN LIGHT OF THE WORLD-WIDE STEEL GLUT, BUT ARE DUBIOUS HOW FAR SUCH REDUCTIONS CAN BE CARRIED WITHOUT UNACCEPTABLE POLITICAL FALLOUT. TO THE BEST OF OUR KNOWLEDGE, NO FINAL DECISIONS HAVE AS YET BEEN TAKEN ABOUT ANY SUCH RATIONALIZATION OF ENCIDESA, BUT THE WORKERS EVIDENTLY CONSIDER IT IMPORTANT TO MAKE THEIR FEELINGS HEARD WITHOUT DELAY.

3. IN BILBAO, A STRIKE AT THE ALTOS HORNOS OF VISCAYA STEEL MILLS (MINORITY OWNED BY U.S. STEEL) IS AFFECTING 9,000 WORKERS: WAGES ARE ONCE AGAIN THE MAIN ISSUE. THE COMPANY, ACCORDING TO AMCONSUL BILBAO, IS ATTEMPTING TO RENEGOTIATE DOWNWARD THE 1978 WAGE INCREASE, BREAKING A CURRENT CONTRACT IN ORDER TO STAY WITHIN THE "MONCLOA" GUIDELINES (AS STANDARD ELECTRICA DID RECENTLY WITH SUCCESS, SEE MADRID A-19 NOTAL).

4. IN PAMPLONA, A BUS STRIKE ENTERS ITS TWELFTH DAY, AND LOCAL BUSINESS IS BEING SERIOUSLY DISTURBED. THE WAGE DISPUTE AT THE STATE-OWNED "HUNOSA" COAL MINES (26,000 WORKERS) HAS BEEN SETTLED (REF MADRID 1573), WITH AN APPARENT VICTORY FOR THE MINERS, WHO WON THE \$113 BONUS THEY WERE DEMANDING. DEPENDING ON WHETHER OR NOT THIS BONUS IS CHARGED AGAINST THE 1978 WAGE INCREASE (TO BE NEGOTIATED SHORTLY), THE SETTLEMENT MAY BE WITHIN THE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MADRID 01938 01 OF 02 231411Z

"MONCLOA" WAGE GUIDELINES.

5. MOVING SOUTH TO ANDALUCIA, THE SOCIALIST UGT AND THE COMMUNIST-DOMINATED SWC CALLED FOR A 24 HOUR GENERAL STRIKE FEB 21, TO PROTEST HIGH AGRICULTURAL UNEMPLOYMENT (SEE ALSO MADRID 1858). THE UNION OF AGRICULTURAL WORKERS, AN AFFILIATE OF THE FAR-LEFT CSUT UNION, IS MAKING NOISES ABOUT OCCUPYING LANDS, BUT HAS NOT ATTEMPTED ACTUALLY TO DO SO. DEMOGRAPHIC CHANGES AND MECHANIZATION HAVE MADE THE LANDLESS LABORERS A MUCH LESS IMPORTANT ELEMENT, EVEN IN SOUTHERN SPAIN WHERE THEY WERE ONCE MOST EXPLOSIVE AMCONSUL SEVILLA OBSERVES THAT THE STRIKE WAS ALMOST TOTALLY INEFFECTIVE IN SEVILLA PROPER. THERE ARE CONFLICTING REPORTS FROM THE SMALLER ANDALUCIAN TOWNS BUT INDICATIONS ARE THAT THE PROTEST STRIKE MAY HAVE HAD SOMEWHAT MORE IMPACT THERE.

6. MEANWHILE, IN MADRID FEB 21, GOVT MINISTERS NEARLY ALL DROVE THEIR OWN CARS TO WORK OR WALKED AS OVER 1,000 DRIVERS FROM THE CENTRAL GOVT MOTOR POOL ARE ON STRIKE FOR HIGHER WAGES AND OVERTIME.

7. AS EXPECTED (REF MADRID 1012), SWC WON FIRST PLACE IN LABOR ELECTIONS AT STANDARD ELECTRICA (AN ITT SUBSIDIARY AND LARGEST U.S. EMPLOYER IN SPAIN), WITH 72 DELEGATES TO 47 FOR UGT, BUT FELL SHORT OF A MAJORITY. THE UGT SHOWING IS CONSIDERED QUITE STRONG, GIVEN THE TRADITIONAL DOMINANCE BY SWC AT STANDARD. AT INDUYCO, SPAIN'S LARGEST CLOTHING MANUFACTURER WITH 6,000 WORKERS IN SIX PLANTS NEAR MADRID, AN ELECTORAL ALLIANCE OF SWC, USO, AND SU SWEEPED TO AN OVERWHELMING VICTORY OVER UGT, 44 DELEGATES VERSUS 5, OUT OF A TOTAL 73. IN BANKING, WHERE WHITE COLLAR "COMPANY UNIONS" ARE EXPECTED TO DO WELL, TWO SUCH UNIONS

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 MADRID 01938 02 OF 02 231412Z  
ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 CIAE-00 COME-00 EB-08 INR-10  
LAB-04 NSAE-00 SIL-01 DODE-00 PM-05 H-01 L-03  
NSC-05 PA-01 SP-02 SS-15 USIA-06 AGRE-00 /087 W  
-----130651 231447Z /50

R 231358Z FEB 78  
FM AMEMBASSY MADRID  
TO SECSTATE WASHDC 3562  
INFO AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
AMEMBASSY LISBON  
AMEMBASSY LONDON  
AMEMBASSY OSLO  
AMEMBASSY PARIS  
AMEMBASSY THE HAGUE  
USMISSION USNATO  
USMISSION GENEVA

LIMITED OFFICIAL USE SECTION 02 OF 02 MADRID 01938

USEEC AND USOECD ALSO FOR EMBASSIES

HAVE WON AT BANCO DE ESPANA (4,000 WORKERS), WITH INDEPENDENTS AND A UGT/SWC ALLIANCE TIED FOR A POOR THIRD (ALMOST THE ONLY EXAMPLE OF SUCH A SOCIALIST/COMMUNIST ELECTORAL ALLIANCE WE HAVE HEARD OF). FINALLY, OVERALL ELECTION RESULTS CONTINUE ALONG THE LINES REPORTED (MADRID 1792 AND PREVIOUS): LATEST EFE NEWS AGENCY FIGURES SHOW SWC WITH 37.8 PERCENT AND UGT WITH 31.8, AS OF FEB 21 WHILE "OFFICIAL" LABOR MINISTRY FIGURES AS OF FEB 18 SHOW

SWC WITH 35.2 PERCENT, UGT WITH 22.8, ROUGHLY MAINTAINING  
THE PREVIOUS SPREAD BETWEEN "OFFICIAL" AND NEWS AGENCY  
RESULTS. STABLER

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLITICAL SITUATION, LABOR STRIKES, ELECTIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 feb 1978  
**Decaption Date:** 20 Mar 2014  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978MADRID01938  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780084-0292  
**Format:** TEL  
**From:** MADRID  
**Handling Restrictions:**  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780223/aaaaatas.tel  
**Line Count:** 172  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 4f609ed1-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** ONLY  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** ONLY  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3507658  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** LABOR UPDATE/STRIKES AND ELECTIONS  
**TAGS:** ELAB, PINT, SP  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odhc://SAS/SAS.dbo.SAS\_Docs/4f609ed1-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014